The 9th February 1884.

No. 315.—Tenders are hereby invited for the exclusive privilege of the manufacture and wholesale vend of arrack in the Town and in the District of Shimoga consisting of the undermentioned taluks as revised by the Dewan's Notifications Nos. 129, dated 13th November 1882, 130 and 131, dated 21st November 1882, and 146, dated 7th December 1882 :—

1. Shimoga, including Kumsi Deputy Amildar's charge.
2. Tirthahalli.
3. Channagiri.
4. Sagar.
5. Nagar.
6. Sorab.
7. Honnali.
8. Shikarpur.
9. Davangere.

2. The privilege for which tenders are now invited will be conceded subject to the conditions hereinafter set forth for a period of three years from the 1st April 1884 to the 31st March 1887. It will not include the manufacture or sale of toddy, of European wines and spirits, or of beer.

3. The tenders must specify the minimum revenue which the tenderers will guarantee yearly to Government. The rates of duty, inclusive of the local cess of one annna on every rupee of duty, as well as the wholesale prices at which the arrack is to be issued by the contractors, being fixed by Government as hereinafter provided, no tenders for such rates will be considered.

4. Each tender must be accompanied by a deposit of Rs. 200 in cash, or in Government securities and enclosed in a cover superscribed with the words "Tender for the exclusive privilege of the manufacture and wholesale vend of arrack," and must be sent to the Deputy Commissioner so as to reach him on or before 1 P. M. on Friday the 29th February 1884, after which date no tender will be received. The tenders will be opened by the Deputy Commissioner in his Office at Shimoga at 1 P. M. on the 29th February 1884, in the presence of the applicants who may be present. The final disposal of the tenders will rest with the Dewan, who reserves to himself full power to reject any or all of the tenders without assigning any reason. The deposits made by the applicants whose tenders are rejected will be returned to them on their application.

5. The applicants whose tenders are selected for submission to the Dewan will be required to deposit at once, in cash or in Government securities, a sum equal to $\frac{1}{12}$th (or one month's instalment) of the minimum annual revenue guaranteed by them ; failing which, the deposit made with the tenders will be forfeited.

6. The applicant, whose tender may be finally accepted by the Dewan, shall, within 8 days of the acceptance of his tender being communicated to him, deposit with the Deputy Commissioner of Shimoga a further sum in cash or in Government securities to make up with the deposits previously made, a sum equal to one-fourth of the yearly revenue guaranteed, and shall execute an agreement in the prescribed form on proper stamp, binding himself to conform to the conditions hereinafter set forth, and if he fails or refuses to sign the agreement or to make the deposit required, the deposits already made will be forfeited to Government and the contract otherwise disposed of.

Conditions.

I. The minimum annual revenue guaranteed shall be payable to Government in twelve equal monthly instalments. The contractor shall pay into the District Treasury of Shimoga the whole amount of the duty inclusive of the local cess payable to Government at the rates fixed by Government on the arrack issued from the distillery in each month on or before the 15th of the following month. If the duty payable on the issues of arrack up to the end of any month be not sufficient to make up the amount of the monthly instalments of the minimum guaranteed revenue up to that month, the contractor shall pay such further sum as may be required to make up the deficiency. The excess sale of any month shall be available to make up any deficiency in any other month of the same official year. If the above payments are not made on or before the 15th of the month following that for which they are due, interest at the rate of 6 per cent per annum will be charged from that date on all the arrears outstanding ; and should the default continue after the lapse of the month in which the payments are due, the arrears with the interest due shall be recovered by attachment and sale of the property of the contractor in the manner provided for by the rules for the time being in force for the recovery of arrears of land revenue. And it shall further be at the discretion of the Dewan upon the report of the Deputy Commissioner of Shimoga to declare the contract

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cancelled, to direct the forfeiture of the deposit made by the contractor, and to cause the business to be carried on by Government officers or otherwise, at the expense and risk of the contractor, during the unexpired period of his contract.

II. The accounts for each year shall be closed separately. If the duty payable to Government on the arrack issued during the year exceed the minimum revenue guaranteed for the year, the contractor will be allowed a deduction from the duty payable by him equal to one anna on every rupee of the amount of such excess. But the excess of one year will not be available to make up any deficiency in the amount of the guaranteed revenue of any other year of the contract.

III. The contractor will be required to manufacture within the enclosure of the Government Distillery near Shimoga, or at such other place as may be fixed by the Deputy Commissioner and to establish wholesale depôts in such places as shall be appointed by the Deputy Commissioner. The distillery and depôts shall be open at all times for inspection by the Deputy Commissioner or any official appointed for that purpose. No arrack shall be taken out of the distillery until it has been measured and tested by an official appointed for that purpose. The contractor will further be required to pay monthly to Government such annual rent for the use of the distillery buildings as may be fixed by the Deputy Commissioner, calculating at the rate of 6 per cent on the value of those buildings, and to keep the said buildings in a state of thorough repair. The contractor shall take over any arrack distilled by the previous contractors which may remain as stock on hand on the 1st April 1884, paying to them such compensation for the same as may be fixed by the Deputy Commissioner with the sanction of the Dewan.

IV. The arrack manufactured shall be of good quality. The articles used in distilling shall be approved by the Deputy Commissioner and be of good quality, and shall be shown to, and passed by, the Distillery Supervisor or other official appointed for the purpose before being received into the distillery. No ingredients obnoxious to health shall be used in distilling or put into the arrack after it has been made, and all the ingredients used shall be in the established initial proportion or in such other proportion as may hereafter be fixed by Government so as to ensure a proper control by the officers of Government over the results of the distillation effected by the contractor daily.

V. The contractor shall keep true and correct accounts in the prescribed forms of his receipts and disbursements, and of the quantity and strength of the spirits manufactured, received and issued in the distillery and in each depôt, and of all the materials received and expended daily at the distillery. He shall produce such accounts whenever required to do so for inspection by the Deputy Commissioner, the Supervisor or any other official appointed for the purpose.

VI. The distiller shall be bound always to have a month's supply of liquor in store, and in order that this may be the case from 1st April 1884, he will be allowed to commence distilling before that date, provided that no liquor so distilled shall be sold or passed out of his custody or that of his employés before the 1st April 1884. The contractor shall be allowed to have wholesale shops in all Taluk Kasabas and large towns approved of by the Deputy Commissioner. A list of all such places will be furnished on application to the Deputy Commissioner and the contractor shall pay the prescribed license fee of Rs. 2 per shop per month.

VII. The contractor shall not sell arrack by retail either in the distillery or in the wholesale shops except as provided for in the rules laid down under Conditions X and XII.

VIII. The retail shops will be under the management of the Deputy Commissioner and in Municipal towns, where so ordered by the Dewan, under the Municipal President or Vice-President of such towns; and no new retail shops shall be opened except with their sanction and at such places appointed by them, and they are competent to order any shops to be closed on grounds of public expediency without any claim to compensation on the part of the contractor.

IX. Licenses for the retail shops will be issued in the usual form by the above officers on payment of such rates of license fees as may, from time to time, be fixed by the Government.

The licenses will provide for the sale of the arrack at the regulated prices and at the prescribed strength and for other necessary conditions. The retail vendors will be required to procure their liquor from such wholesale shops as may be nearest to them, or from such others as they may elect once yearly to take it from. They will also be required to permit the contractor or his agent, the Excise officers, or any public servant duly authorized, free access to their shops in order to see that no irregularities take place, and to keep true and correct accounts of the quantity and strength of liquor received by them each day, and the prices charged for the same, and to produce the accounts for inspection whenever required so to do by the contractor or his agents, or any Government official authorized to call for them.

X. The following rules regarding the issue of the arrack from the distillery shall be observed:—

(*a*) No arrack shall ordinarily be issued at a strength above 20° under Proof, but should the contractor or retail vendor desire to issue at a higher strength than the above, the spirit so issued shall not be of a greater strength than Proof. Liquor of strength at Proof shall be issued from the distillery in two dozen quart bottles, four dozen pints and so on for lower denominations of flasks as for English and foreign spirits ; and it shall be sold by wholesale to retail vendors in bottles intact as issued from the distillery with the seals affixed on them by the Supervisor and under cover of the Supervisor's passes. The retail vendors shall issue such liquor only to respectable persons known to them on separate passes granted by the Supervisor to the retail vendors, and both wholesale and retail dealers shall account for such sales separately in the forms prescribed.

(*b*) Should the contractor wish to issue liquor of higher strength than Proof, he should obtain the special orders of the Deputy Commissioner therefor, through the Supervisor, who shall quote the same and issue passes accordingly to wholesale shops, and liquor so issued shall be sold and accounted for, as provided in Clause (*a*) of this para.

(*c*) All liquor issued at a strength above 20° under Proof and up to Proof shall be charged the duty on Proof, the rate on above Proof being raised proportionately according to the hydrometer's scales.

(*d*) No spirit below 20° under Proof shall be ordinarily issued from the distillery, but should there be a demand for liquor of lower strength than 20S under Proof, liquor at 30° under Proof may be specially issued from the distillery at proportionately reduced rates of duty, such liquor being kept and accounted for separately both in the wholesale depôts and in the retail shops.

XI. The arrack shall be sold as issued from the distillery and shall not be adulterated or diluted in any manner either in the wholesale or retail shops.

XII. The Government duty including the local cess of one anna in the rupee payable on arrack of the strength of 20° under Proof, as well as the prices at which the same shall be sold (unadulterated and undiluted) at the wholesale and retail shops, are hereby fixed as specified in the following table :—

Town or District.	Spirits 20° under Proof.								
	Duty per gallon.	Wholesale price per gallon.		Retail price.					
				Per gallon.			Per dram.		
	Rs.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
The Town of Shimoga	2 12 0	4	6	4	5	0	0	0	1	8
The rest of the District	2 2 0	3	14	0	4	8	0	0	1	6

The prices for Proof and 30° under Proof and the duty chargeable thereon as well as for all strengths over and under those strengths, shall be regulated proportionately on the rates above specified for 20° under Proof in accordance with Casella's rules which accompany each case of Government hydrometers. Nothing in these rules shall preclude the Supervisor, upon written application made to him for that purpose, from granting to respectable private individuals, and to Hospitals, Museums and other public institutions, liquor of any strength above 20° under Proof and up to 30° over Proof in quantities of not less than one ordinary quart bottle and not exceeding 2 gallons at wholesale rates of price. Higher strengths shall not be issued except in urgent cases and upon the special sanction of the Deputy Commissioner.

XIII. On account of wastage a discount or deduction of 2 per cent shall be allowed on the duty payable on liquor issued from the distillery for sale beyond the Municipal limits of the Town of Shimoga.

XIV. The contractor shall cause every person whom he may employ to superintend the distillery or wholesale shops or depôts, to execute, previous to such employment, such engagements as are compatible with the above conditions, and such engagements shall be deposited with the Deputy Commissioner of the District within one month from the 1st April 1884. The contractor will moreover use his best endeavours to secure on the part of all persons employed by him in the manufacture, carriage and sale of arrack, a strict adherence to the provisions of the engagements entered into by them, and of the law, and if it come to his knowledge that a breach of those provisions has been committed, he will bring the circumstance to the notice of the Deputy Commissioner of the District in order that the penalties prescribed for the offence may be enforced, and further dismiss the offender from his service, if required so to do by the Deputy Commissioner.

XV. The contractor shall conform to any additional rules that may be prescribed from time to time by the Government, not inconsistent with the terms of the contract, and he shall see that all his employés give full effect to the rules and orders passed by Government for the custody and regulation of the stock distilled and passed out, the cleanliness of all vessels used, the tinning of metal vessels, the watch, ward and sanitary condition of the enclosure, and other matters affecting either the Government or the contractor's interests, or both.

XVI. If any wilful breach of any of the above conditions is committed by the contractor, or with his connivance and privity by any of the men employed by him in the manufacture, carriage or sale of arrack, it shall be at the discretion of the Dewan to cancel the contract and declare the deposit forfeited and cause the business to be carried on as provided in Condition I.

XVII. The Government may allow the contractor, subject to such conditions as may be prescribed by Government in that behalf, to manufacture and sell Colombo or other kinds of arrack or liquor, but no deductions shall be allowed therefor on the revenue realized from the ordinary country arrack adverted to in this Notification.

7. The following table shows the annual quantity of liquor issued during past years :—

	1870—71 Gallons.	1871—72 Gallons.	1872—73 Gallons.	1873—74 Gallons.	1874—75 Gallons.	1875—76 Gallons.	1876—77 Gallons.	1877—78 Gallons.	1878—79 Gallons.	1879—80 Gallons.	1880—81 Gallons.	1881—82 Gallons.	1882—83 Gallons.
Shimoga District.	*27,259	*26,877	*32,202	*33,850	*23,590	*18,008	*19,821	*13,789	*10,789	*14,222	*14,590	21,855	20,253

*These figures from 1870—71 to 1880—81 do not include the issues to Davangere Taluk, which was afterwards added to the District.